

SALMON RECOVERY FUNDING BOARD

MINUTES - REGULAR MEETING

May 24, 2000
8:30 a.m.

City Park Center
White Salmon, Washington

SALMON RECOVERY FUNDING BOARD MEMBERS PRESENT:

William Ruckelshaus, Chair	Seattle
Larry Cassidy	Vancouver
Brenda McMurray	Yakima
James Peters	Olympia
John Roskelley	Spokane
Steve Meyer	Executive Director, Conservation Commission
Jeff Koenings	Director, Department of Fish and Wildlife
Craig Partridge	Designee, Department of Natural Resources
Jerry Alb	Designee, Department of Transportation

<i>A tape of the meeting's proceedings is retained by IAC as the formal record of the meeting.</i>
--

Chair Ruckelshaus thanked the Klickitat County Lead Entity for the excellent tour given to Board members on Tuesday the 22nd. Main stops on the tour occurred at Condit Dam, Conboy National Refuge, and the Klickitat Mill site; other points of interest were highlighted along the tour route.

The mayor of White Salmon, Roger Holen, welcomed the Salmon Recovery Funding Board to the city of White Salmon. Roger thanked the SRFB for not forgetting about this corner of the state and welcomed the Board to "paradise" in the Columbia gorge.

Call to Order

Chair Ruckelshaus called the meeting to order at 8:30 a.m. The agenda was approved.

Topic #1: Review and Approval of Minutes

The Chair requested an amendment to the revised March 16 & 17 minutes striking the words 'fairly high' from the first paragraph of Board Discussion. Larry Cassidy **moved** adoption of revised March 16 & 17 minutes as amended and the April 21, 2000 minutes. Brenda McMurray **seconded**. John Roskelley asked to abstain from voting on the April minutes since he was not present at the meeting. **Motion Carried.**

Topic #2: Management and Status Reports

Director's Report: Laura reviewed several issues that staff is currently working on. (See notebook for written report.)

Laura presented the IAC/SRFB office draft strategic plan with mission, goals, and strategies. Although this is for the agency staff, they would like Board review for possible changes. Mr. Ruckelshaus asked whether there is a way in which state agencies are evaluated on their process. Director Johnson explained the review currently being performed by the Joint Legislative Audit Review Committee, and asked Curt Smith to discuss the Joint Cabinet's Balanced Scorecard to measure the salmon process.

Financial Report: Debra Wilhelmi reviewed the financial and management services memo and attachments (see meeting materials). The Board currently has \$21.3 million in both state and federal funds remaining to be allocated in this biennium.

The contract for the federal grant money (Fiscal 2000) has been signed and so the Board is now able to charge against this account. This is a reimbursable grant.

A workgroup has been working on a draft policy for advance payments and should have a final draft ready for the Board's review and approval at the June meeting.

Another group has been reviewing the grant application form. So far comments received have been very positive with fairly minor changes requested.

In July the Board will be reviewing the operating and capital budget proposals to be presented to OFM. Debra explained the differences between operating and capital budgets and explained the next steps in the process.

Project Manager Update: Eric Johnson reviewed the Project Services Division report (see meeting materials). Project managers have been working with the Attorney General's Office to finalize a landowner agreement. The project managers are continuing to process many billings per month.

A committee consisting of Laura Johnson, Brenda McMurray, and Steve Meyer met to discuss time extensions for the early action grants and make decisions on whether or not to grant the time extension. Twenty-five extensions were granted.

Topic #3: GSRO Report

Curt Smith gave an overview of the JNRC Balanced Scorecard status. Indicators have been written and assignments made.

The governor has requested that all funding for state agencies with connection to salmon coordinate their budgets and mirror the scorecard indicators. The budget will go to the legislature sometime in December. Curt mentioned that the scorecard has already been very beneficial in revealing areas where we are missing data or focus.

Topic #4: Science in Salmon Recovery Update

A panel of representatives from Washington Department of Fish and Wildlife, Northwest Indian Fisheries Commission, and the Governor's Salmon Recovery Office presented

an overview of the need for scientific support in salmon recovery efforts and proposed steps for coordinating all the efforts statewide.

Most watershed groups have access to technical fisheries experts to help design and review projects. The level of expertise and availability of experts varies considerably across the state. Under RCW 75.46, the Conservation Commission provides technical assistance to each watershed for the development of a limiting factors analysis. The Department of Fish and Wildlife along with the tribes and local organizations provide experts for use by the watershed committees.

State and Federal agencies, with the involvement of tribes, are currently working to develop a long-term approach for coordination of science efforts. In the meantime, the Board is working to establish an overall technical review process and system for working with each watershed group as they develop their projects and priorities. Working together early in the process will help everyone and improve our ability to make science-based decisions.

The use of science in salmon recovery will be a continuing discussion brought before the SRFB, including the June meeting.

Topic #5: Second Round 2000 Grant Cycle

The Board made decisions on five major issues for the Second Round Grant cycle after reviewing the public comments and testimony at the meeting. The Board decisions focused on:

1. Schedule
2. Eligible applicants
3. Eligible project types
4. Individual project evaluation questions
5. Matching requirements

Schedule

Due to public comment, staff is recommending a new schedule. As of **May 24**, the SRFB would approve

1. Schedule
2. Eligible projects
3. Project criteria

June 13 – Application materials available

June 21 – SRFB approves technical assistance and list review process

July – Initiate technical assistance panel

October 30 - Lists and projects due to SRFB

November – Processing complete and review panel meets with lead entities

January 5 – Staff prepares document

January 12 – Start public review comment

January 25 – Public Hearing

January 26 – Board decision

Board Discussion:

Some Board members would like to extend the decision date out another 30 days with the final Board decisions occurring in February. Other members discussed the need to get information to the legislature early in the session.

Public Testimony:

Hilary Lyman, Colville Tribe – Is okay with the schedule – does not feel that meeting with the technical review panel on individual projects is necessary.

Jay Watson, Hood Canal Coordinating Council – delighted with this schedule, could always use more time but the proposed schedule works fine. Would like to work with the technical review panel to be able to make sure they are comfortable with the selected projects and will be able to make better decisions at the time of the review hearing. They are not afraid of scrutiny but want to make sure there is enough time to go through this process.

John Cambalik, North Olympic Peninsula lead entity – very pleased to see the new proposed schedule – would like to submit projects by end of November but can work with the October 30 due date. Would like the review panel to come to the local areas to actually see project sites and give a reality check on their proposals.

Bill Dygert, Lower Columbia Fish Recovery Board – Revised schedule is consistent with the written comments submitted by the LCFRB. The schedule will work for them, does not want to jeopardize the legislative process. The LCFRB has a very good technical advisory committee and would like to have the technical review team review the process and not the individual projects. Would like to get the application materials, even if they are still draft, as soon as possible.

Decision:

Larry Cassidy made the **motion** to approve extended schedule. Brenda McMurray **seconded**, all **approved**.

The Board approved a schedule for the Second Round Grant Cycle. Application materials will be available on June 13, 2000, applications and project lists are due from lead entities on October 30, 2000, and funding decisions will be made by the Board the end of January 2001. (See the Web page for complete schedule <http://www.wa.gov/iac/salmonmain.html>)

Eligible Applicants

Jim Kramer gave an overview of the staff recommendation to not allow projects from areas without lead entities.

Board Discussion:

Pros and cons of whether or not to fund projects in WRIAs that are not within a lead entity area. Some Board members were uncomfortable in not funding projects that do not yet have lead entities since many times these projects are very good salmon projects and they need to be funded. Other members agreed but also noted that legislation requires funding go through the lead entity process. Other areas have been able to create a lead entity despite complications. HB 2496 did have an alternate path

for funding in non-lead entity areas but HB 5595 removed that language.

Public Testimony:

Bob Metzker, US Forest Service – Disagrees with the interpretation of federal agencies not being eligible to apply. Wants to make sure the wording that was in the last cycle concerning projects on federal lands be included (although federal agencies are not eligible, projects on federal lands are eligible for other partners to perform). Another comment concerns federal match.

Director Johnson suggested bringing the federal match issue policy before the Board at the June meeting.

Hilary Lyman, Colville Tribe – Wanted to know if the SRFB will be interacting with the legislature to make policy changes such as making federal agencies eligible. The Colvilles would like to partner with federal agencies on a couple of projects and it would be much easier if they could have the projects managed by the federal agency.

Decision:

Brenda McMurray made the **motion** to approve the eligible applicant list as presented by staff. Larry Cassidy **seconded** the motion. Motion **passed**.

The list of eligible applicants will be the same as the last funding cycle and includes: cities, counties, private landowners, conservation districts, state agencies, native American tribes, non-profit organizations, and special purpose districts.

Eligible Projects

Jim Fox pointed out the three new project types suggested for eligibility in this round and the issue of legal obligation.

Discussion on Funding “Outreach”:

1. Some Board members questioned what is meant by supplies, equipment, and other costs under outreach.
2. One Board member would like to have a better definition of what the Board has funded in the past for outreach – is what PFS doing now cover the public outreach or is there more need for public outreach in the specific watersheds?

Jim Fox explained that the PFS focus is a more general outreach concept – there is a plan to focus on four separate watersheds for outreach.

1. Mr. Ruckelshaus would prefer to have a plan for outreach – what is the agency role, the Board’s role, and local role for outreach. Agrees that this could be a way of spending a lot of money for not much return.

Decision:

Defer funding of outreach projects until a later cycle.

Discussion on Funding “Assessments and Studies”:

A Board member wondered if the Board could include a limited timeline when funding assessments?

Director Johnson: yes, this would be easy to include. The question would be how long

does the Board think assessments should take?

Other Comments:

It was suggested to get more information from the state agencies to see how long they think it would take to complete a study and also see that the tribes are included in the WRIA-level assessment coordination.

Assessments should be tied closely to the list of critical pathway analysis in the statute. Should reflect the statute language.

Assessments and studies are important but need to limit the time for planning so that projects can get on the ground. Limiting time for studies will take constant vigil by the Board.

Would like to tighten up the language in this section.

Benchmarks in a contract for assessments will look different than benchmarks used in on- the-ground projects.

Public Testimony:

John Cambalik, NOPL – Would like to have this topic resolved today. They need to know by the end of the day so they will be able to start working on their project lists.

Board Decision:

Jim Fox and Jim Kramer will redraft language to tighten up wording under “assessments and studies.”

During an afternoon break in the meeting, Jim Fox and Jim Kramer drafted the following language to be considered for “assessments and studies:”

Assessments and Studies – are eligible for grant funds if the assessment or study:

- 2. assists in, or provides information necessary for, the development or implementation of the critical pathways methodology for a watershed or lead entity area, or;*
- 3. addresses an information or analytical need identified in a completed limiting factors analysis that is necessary for improving the identification and selection of habitat protection and restoration projects, or;*
- 4. results in demonstrating the feasibility of a project that has been identified as a high priority by a lead entity.*

Assessments and studies may include feasibility studies, channel migration studies, reach-level, nearshore and estuarine assessments, and inventories such as barrier and landslide hazard inventories. Assessments must be closely coordinated with other assessment and data collection efforts in the watershed and with WDOE, WDFW, Tribes, and in the Columbia Basin with the NWPPC to prevent duplication and ensure the use of appropriate methodology and protocols. To improve coordination, lead entities are encouraged to be applicants for these funds or to partner with applicants. Assessments and studies must be completed in two years unless the sponsor and lead entity can justify additional time.

Discussion on Redrafted Wording on Assessments and Studies:

The Chair moved, and it was seconded, to fund assessments and studies with the final wording to be adopted at the next Board meeting in June.

Discussion on "Monitoring":

5. Jim Peters would like to include the tribes on this issue also.
6. Need to have monitoring done but protocols are still not in place so how it is done is the question.
7. May want to suggest to the legislature that monitoring is programmatic rather than project-by-project. Programmatic would give this process long-term funding versus funding per biennium.

Public Testimony:

No public testimony

Board Decision:

Stand-alone monitoring will not be eligible in this grant cycle.

Discussion on Siting of Individual Projects:

Eliminate language concerning "outreach" and "monitoring" projects.

Public Testimony:

No public testimony

John Roskelley made the **motion** to accept text on siting of projects with amended wording to exclude outreach and monitoring, Larry Cassidy **seconded**. Motion **passed**.

Discussion on Project Amounts and Timing:

Is there an administrative reason to limit the minimum to \$10,000?

Public Testimony:

Terry Wright, Northwest Indian Fisheries Commission – Some projects are a part of a larger overall funding process and the smaller funding amount should not cause a project to be rejected.

Decision:

John Roskelley made **motion** to reduce minimum to \$5,000. Larry Cassidy **seconded**. Motion **approved**.

Decision on Eligible Items 1-7

Larry Cassidy made the **motion** to accept eligible project list 1-7 as is, John Roskelley **seconded**. Motion **approved**.

Discussion on Legal Obligation:

1. John Roskelley suggested approval of blockage problems along the line starting from the main stem and going up stream. He is comfortable with the WDFW's proposal. He would like to apply higher match to these projects.
2. Jim Peters agrees with Mr. Roskelley, although does question the change in match amount required.
3. Mr. Ruckelshaus commented about request for higher match – can't just say higher

match. Would need to define what we mean by higher match such as 25% or whatever. Need to be very clear what projects or what type sponsor would have the higher match requirement.

4. Brenda McMurray suggested a 25% cash match.
5. From comments received, lead entities requested not raising the match requirement but letting the local lead entities make that call in their project selection process.
6. Should think of the salmon – it has been shown that barriers are one of the major detriments to the salmon – should be giving incentive to fund this type of project not adding more barriers to getting these projects done.

Public Testimony:

John Cambalik, NOPL – This is a very hard issue to comment on. One thing John's group would like the Board to think about when looking at requesting a higher match amount is the differences between rural and urban and small private landowners – small private landowners and rural areas may have a harder time coming up with a higher match amount and due to this may not be able to fund the project causing harm to the salmon.

Bill Dygert, LCFRB – Don't ask the lead entities to make the call on whether or not a project is a legal obligation. Should keep a similar match level for all projects.

Jay Watson, HCCC – Whatever the Board decides – please make it very clear and streamlined.

Continued Board Discussion:

1. Recommendation to vote to accept the language that the Board may want to fund projects that have a prior legal obligation.
2. Brenda would add – try not to define what legally obligated is but ask locals to create a tier in their process to review a project for legal obligation. Allow all projects to be submitted, be strategic in their watershed for salmon recovery, and create a review tier at the local level that identifies legally funded projects.

John Roskelley moved to accept the WDFW wording but delete item #2 and review each project on a case-by-case basis. No second.

Staff commented on the need to be very clear that Board will be expecting the lead entities in their review process to answer the two questions about all projects – clear benefit to salmon and harm to salmon if project is delayed.

Decision:

Motion made by John Roskelley: Follow ESHB 2589 and WDFW comments 1 & 3, not 2. Larry Cassidy **seconded**. Motion **passed**.

The Board decided to add one new eligible project type: "assessments and studies." These types of activities will be eligible to receive funding if they will provide immediate benefits for improving overall project lists. The final definition of assessments and studies will be decided at the June SRFB meeting.

The Board also decided that HB2589, passed by the Legislature earlier this year, provided adequate guidance for funding projects that may be the legal obligation of landowners, such as culverts and fish screens. HB2589 authorizes the Board to fund these types of projects if the project provides a clear benefit for salmon recovery and there will be harm to salmon recovery if the project is delayed. This approach places the benefit for fish as the primary criteria and provides flexibility for each watershed to recommend the best projects.

Discussion on Matching Share:

Brenda McMurray made the **motion** to accept 15% matching share. Larry Cassidy **seconded**. Motion **passed**.

Discussion on Ineligible Project List:

Larry Cassidy made the **motion** to approve as is. Brenda McMurray **seconded**. Motion **passed**.

Public Testimony:

Rich Kolb, LCFRB – would like to see supplemental fish propagation be eligible.

Does the Board want to include supplementation in the eligible projects?

Laura Johnson suggested drafting options for future discussion but not for use in this cycle.

Larry Cassidy and Jim Peters, would both like to have a workshop with full discussion of supplementation and what it means in the future. This could be included in a hatchery reform discussion.

Discussion on Individual Project Evaluation Criteria:

Staff suggests that the list of six questions be put out for a baseline for lead entities to use in their review process.

Public Testimony:

Hilary Lyman, Colville Tribe – This is the Salmon Recovery Funding Board and she feels that every project should demonstrate the benefit to salmon. She would like to see all projects answer the same list of questions.

Lori Zoller, Klickitat County lead entity – Liked using the Board's criteria – would like to use it again at a minimum with flexibility to add additional questions.

John Cambalik, NOPE – Would like the flexibility to create their own criteria.

Rich Kolb, LCFRB – LCFRB used the Board's criteria last year and would like to use it again with flexibility to add to the base questions.

Decision:

Brenda McMurray made the **motion** to approve the base list with the ability for each

lead entity to add additional questions to better reflect concerns in their specific area. Larry Cassidy **seconded**. Motion **passed**.

The Board agreed that applicants for each project seeking SRFB funding must answer six evaluation questions. Citizen committees and lead entities have the option to expand on the number and types of questions asked when going through the local evaluation process. The six questions are:

1. What is the project's benefit to salmon?
2. How does the project integrate with other salmon recovery efforts?
3. What technical process was used for identifying this project?
4. Is the project approach to protection or restoration cost-effective and well designed?
5. What expertise does the project sponsor have in project management and implementation?
6. If this project is not done at this time, what impact will there be on the salmon resource?

For this grant cycle the match amount will continue to be 15% and includes cash, bonds, local, state, or federal grants (unless prohibited by funding source), donated labor, equipment, or materials and force account.

Topic #6: Lead Entity Operation and Maintenance Briefing

Due to the length of time needed to get through the decision making portion of the meeting, this briefing has been postponed to the June SRFB meeting at Snoqualmie Pass.

Topic #7: Partner Agency Reports

Written information was provided by WDFW concerning the Watershed Stewardship Team update.

Jerry Alb gave an update on the budget status for WSDOT.

Public Testimony:

Hilary Lyman, Colville Tribe asked to make three comments. First, invited the SRFB and IAC/SRFB staff on a tour July 17. Secondly, commented on the grant application materials, requesting the addition of information to include increasing water for instream flows. And lastly, commented that the Colville Tribe would like to see more on-the-ground projects and does not see any use in the Watershed Stewardship Team or People for Salmon.

There being no further business, the meeting was adjourned at about 4:45 p.m.

SRFB APPROVAL:

William Ruckelshaus, Chair

Date

Future Meetings: June 20-21, 2000 – Snoqualmie Pass, Summit Inn
 July 12-13, 2000 - La Conner, Maple Hall
 September 14-15, 2000 – Vancouver, Water Resources Center

G:\TammyO\SRFB Meetings\June 20-21 2000\5_23_00 Minutes.doc